

Apr. 8 / Administration of George Bush, 1992

Nomination of Christian R. Holmes IV To Be an Assistant Administrator of the Environmental Protection Agency

April 8, 1992

The President today announced his intention to nominate Christian R. Holmes IV, of California, to be Assistant Administrator for Administration and Resource Management at the Environmental Protection Agency, succeeding Charlie L. Grizzle; and Chief Financial Officer for the Environmental Protection Agency, a new position.

Currently Mr. Holmes serves as Acting Assistant Administrator in the Office of Administration and Resource Management at the Environmental Protection Agency in Washington, DC. Prior to this, Mr. Holmes

served as Deputy Assistant Administrator for Federal Facilities Enforcement, 1990–91. From 1989 to 1990, Mr. Holmes served as Principal Deputy Assistant Administrator in the Office of Solid Waste and Emergency Response at the Environmental Protection Agency in Washington, DC.

Mr. Holmes graduated from Wesleyan University (B.A., 1968). He was born February 1, 1946, in Syracuse, NY. Mr. Holmes served in the U.S. Army Reserve, 1968–74. He is married, has two children, and resides in Washington, DC.

Remarks to the American Society of Newspaper Editors

April 9, 1992

The President. Thank you, Dave. And may I start by thanking the members of the board and say to all the members of ASNE I'm grateful for this return engagement, glad to participate in an annual event that Washington looks forward to, this annual conference.

Even in the age of VCR's and CNN, people who want to understand the times we live in still, as Dave indicated in that sweet and short introduction, turn to the printed word.

And today I want to share some serious observations with you on events around the world. Look around the world today. Think of the page-one stories of the past few years and our victory in the cold war, the collapse of imperial communism, the liberation of Kuwait. Think of the great revolutions of '89 that brought down the Berlin Wall and broke the chains of communism and brought a new world of freedom to Eastern Europe. And think of the role this Nation played in every one of these great triumphs, the sacrifices we made, the sense of mission that carried us through.

Each day brings new changes, new realities, new hopes, new horizons. In the past

6 months alone we've recognized 18, in 6 months, 18 brandnew nations. The bulk of those nations, of course, are born of one momentous event, the collapse of Soviet communism.

And today I want to talk to you all about the most important foreign policy opportunity of our time, an opportunity that will affect the security and the future of every American, young and old, throughout this entire decade. The democratic revolutions underway in Russia, in Armenia, Ukraine, and the other new nations of the old Soviet empire represent the best hope for real peace in my lifetime.

Shortly after taking office, I outlined a new American strategy in response to the changes underway in the Soviet Union and East and Central Europe. It was to move beyond containment, to encourage reform, to always support freedom for the captive nations of the East. And now, after dramatic revolutions in Poland and Hungary and Czechoslovakia, revolutions that spread then to Romania and Bulgaria and even Albania; after the unification of Germany in NATO; after the demise of the one power, the U.S.S.R., that threatened our way of life,

that mission has been fulfilled. The cold war is over. The specter of nuclear armageddon has receded, and Soviet communism has collapsed. And in its wake we find ourselves on the threshold of a new world of opportunity and peace.

But with the passing of the cold war, a new order has yet to take its place. The opportunities, tremendous; they're great. But so, too, are the dangers. And so, we stand at history's hinge point. A new world beckons while the ghost of history stands in the shadows.

I want to outline today a new mission for American policy toward Russia and the other new nations of the old U.S.S.R. It's a mission that can advance our economic and security interests while upholding the primacy of American values, values which, as Lincoln said, are the "last, best hope of Earth."

Americans have always responded best when a new frontier beckoned. And I believe that the next frontier for us, and for the generation that follows, is to secure a democratic peace in Europe and the former U.S.S.R. that will ensure a lasting peace for the United States of America.

The democratic peace must be founded on twin pillars of political and economic freedom. The success of reform in Russia and Ukraine, Armenia and Kazakhstan, Byelarus and the Baltics will be the single best guarantee of our security, our prosperity, and our values.

After the long cold war, this much is clear: Democrats in the Kremlin can assure our security in a way nuclear missiles never could. Much of my administration's foreign policy has been dedicated to winning the cold war peacefully. And the next 4 years must be dedicated to building a democratic peace, not simply for those of us who lived through the cold war and won it but for generations to come.

From the first moments of the cold war, our mission was containment, to use the combined resources of the West to check the expansion, the expansionist aims of the Soviet empire. It's been my policy as President to move beyond containment, to use the power of America and the West to end the cold war with freedom's victory. And today, we have reached a turning point. We

have defeated imperial communism.

We've not yet won the victory for democracy, though. This democratic peace will not be easily won. The weight of history, 74 years of Communist misrule in the former U.S.S.R., tells us that democracy and economic freedom will be years in the building. America must, therefore, resolve that our commitment be equally firm and lasting. With this commitment, we have the chance to build a very different world, a world built on the common values of political and economic freedom between Russia and America, between East and West and at long last, a peace built on mutual trust, not on mutual terror.

And today, we find ourselves in an almost unimaginable world where democrats, not Communists, hold power in Moscow and Kiev and Yerevan; a new world where a new breed of leaders, Boris Yeltsin, Levon Ter-Petrosyan, Leonid Kravchuk, Askar Akayev, among others, are pushing forward to reform.

They seek to replace the rule of force with the rule of law. And they seek, for the first time in their countries' histories, not to impose rule in the name of the people but to build governments of, by, and for the people. And they seek a future of free and open markets where economic rights rest in the hands of individuals, not on the whims of the central planners. They seek partnerships. They seek alliances with us. And they also seek an end to competition and conflict. Our values are their values. And in this time of transition, they are reaching out to us. They seek our help. And if we're to act, we must see clearly what is at stake.

Forty years ago, Americans had the vision and the good sense to help defeated enemies back to their feet as democracies. Well, what a wise investment that proved to be. Those we helped became close allies and major trading partners. Our choice today, just as clear: With our help, Russia, Ukraine, other new States can become democratic friends and partners. And let me say here, they will have our help.

What difference can this make for America, you might ask. We can put behind us, for good, the nuclear confrontation that has held our very civilization hostage for over

four decades. The threat of a major ground war in Western Europe has disappeared with the demise of the Warsaw Pact. A democratic Russia is the best guarantee against a renewed danger of competition and the threat of nuclear rivalry.

The failure of the democratic experiment could bring a dark future, a return to authoritarianism or a descent into anarchy. In either case, the outcome would threaten our peace, our prosperity, and our security for years to come. But we should focus not on the dangers of failure but on the dividends of success.

First, we can reap a genuine peace dividend this year and then year after year, in the form of permanently reduced defense budgets. Already we've proposed \$50 billion worth of defense spending reductions between now and 1997. Now, that cut comes on top of savings totaling \$267 billion, more than a quarter of a trillion dollars in projected defense expenditures since the fall of the Berlin Wall. Make no mistake: I am not going to make reckless defense cuts that impair our own fundamental national security.

Second, working with our Russian partners and our allies, we can create a new international landscape, a landscape where emerging threats are contained and undone, where we work in concert to confront common threats to our environment, where terrorists find no safe haven, and where genuine coalitions of like-minded countries respond to dangers and opportunities together.

And finally, third, the triumph of free governments and free markets in the old Soviet Union will mean extensive opportunities for global trade and economic growth. A democratic Russia, one dedicated to free market economies, will provide an impetus for a major increase in global trade and investment. The people of the former Soviet Union are well-schooled and highly skilled. They seek for their families the same better future each of us wishes for our own. And together, they form a potentially vast market that crosses 11 time zones and comprises nearly 300 million people.

No economist can pinpoint the value of trade opportunities we hope to have. It's impossible to compute, but the potential for

prosperity is great. Increased trade means vast new markets for American goods, new opportunities for American entrepreneurs, new jobs for American workers. And I'm committed to giving American business every possible opportunity to compete fairly and equally in these new markets.

For example, last week I asked the Congress to repeal the Stevenson and Byrd amendments that limit Export-Import Bank's ability to help promote American exports to the former U.S.S.R. And I'm pleased that Congress has acted. I'm also seeking to conclude trade, bilateral investment, and tax treaties with each of the new Commonwealth States. The first agreement between the U.S. and Armenia was signed last week, and we expect a lot more to follow.

Russian democracy is in America's interest. It's also in keeping with this Nation's guiding ideals. Across the boundaries of language and culture, across the cold war chasm of mistrust, we feel the pull of common values. And in the ordeal of long-suffering peoples of the Soviet empire, we see glimpses of this Nation's past. In their hopes and dreams, we see our own.

This is an article of the American creed: Freedom is not the special preserve of one nation; it is the birthright of men and women everywhere. And we have always dreamed of the day democracy and freedom will triumph in every corner of the world, in every captive nation and closed society. And this may never happen in our lifetime, but it can happen now for the millions of people who for so long suffered under that totalitarian Soviet rule.

Some may say this view of the future is a little unrealistic. Let me remind you that three of our leading partners in helping democracy succeed in Russia are none other than Germany, Japan, and Italy. And if we can now bring Russia into the community of free nations who share American ideals, we will have redeemed hope in a century that has known so much suffering. It is not inevitable, as de Tocqueville wrote, that America and Russia were destined to struggle for global supremacy. De Tocqueville only knew a despotic Russia, but we see and can help secure a democratic Russia.

One of America's greatest achievements in this century has been our leadership of a remarkable community of nations, the free world. This community is democratic; it is stable; it's prosperous, cooperative; it is independent. In America all of us are the better for that. And we have strong allies. We have enormous trade, and we are safer as a result of our commitment to this free world. And now, we must expand this most successful of communities to include our former adversaries.

Now, this is good for America. A world that trades with us brings greater prosperity. A world that shares our values strengthens the peace. This is the world that lies out there before us. This is the world that can be achieved if we have the vision to reach for it. And this is the peace that we must not lose.

And this is what we're doing right now to win this peace. Strategically, we're moving with the Russians to reach historic nuclear reductions. We've urged speedy ratification of START and CFE. And we're working with all the new States to prevent the spread of weapons of mass destruction. We are offering our help in safety, in nuclear weapons safety, in security, and yes, in the dismantlement. And we're engaged in an intensive program of military-to-military exchanges to strengthen the ties between our two militaries, indeed, to build unprecedented defense cooperation, cooperation that would have simply been unthinkable a few short months ago.

Politically, we're reaching out so America and American values will be well represented in these new lands. We are the only country with embassies in all of the former republics. We're planning to bring American houses and American expertise to the former U.S.S.R., to send hundreds of Peace Corps volunteers to help create small businesses, to launch major exchanges of students, professionals, and scientists, so that our people can establish the bonds so important to permanent peace.

Economically, working with the European Community and many other countries, we organized a global coalition to provide urgently needed emergency food and medical supplies this past winter. And now we will send Americans to help promote improve-

ments in food distribution, energy, defense conversion, and democratization.

I have sent Congress the "FREEDOM Support Act," a comprehensive and integrated legislative package that will provide new opportunities to support freedom and repeal all cold-war legislation. In its key features this bill asks Congress to meet my request for \$620 million to fund technical assistance projects in the former U.S.S.R. It urges Congress to increase the U.S. quota in the IMF, International Monetary Fund, by \$12 billion. And I pledge to work with the Congress on a bipartisan basis to pass this act. And I want to sign this bill into law before my June summit with President Yeltsin here in Washington, DC.

Just as the rewards of this new world will belong to no one nation, so too the burden does not fall to America alone. Together with our allies, we've developed a \$24 billion package of financial assistance. Its aim: to provide urgently needed support for President Yeltsin's reforms.

And ours is a policy of collective engagement and shared responsibility. Working with the G-7, the IMF, and the World Bank, we are seeking to help promote the economic transformation so central to an enduring democratic peace. Forty-five years after their founding, the Bretton Woods institutions we created after World War II are now serving their original purpose. By working with others we're sharing the burden responsibly and acting in the best interests of the American taxpayer.

I know that broad public support will be critical to our effort to get this program passed. And so, let me say something to those who say, "Yes, the people of Russia, and all across the old Soviet empire, are struggling; yes, we want to see them succeed, to join the democratic community. But what about us? What about the challenges and demands we must meet right here in America? Isn't it time we took care of our own?" And to them I would say this: Peace and prosperity are in the interest of every American, each one of us alive today and all the generations that will follow. As a Nation, we spent more than \$4 trillion to wage and win the cold war. Compared to such monumental sacrifice, the costs of pro-

moting democracy will be a fraction and the consequences for our peace and prosperity beyond measure. America must take the lead in creating this new world of peace.

Three times this century, America has been called on to help construct a lasting peace in Europe. Seventy-five years ago this month, the United States entered World War I to tip the balance against aggression. And yet, with the battle won, America withdrew across the ocean, and the “war to end all wars” produced a peace that did not last even a generation. Indeed, by the time I was born in 1924, the peace was already unraveling. Germany’s economic chaos soon led to what, to Fascist dictatorship. The seeds of another, more terrible war were sown.

And still, the isolationist impulse remained strong. Years later, as the Nazis began their march across the Continent, I can still remember the editorials here in the United States talking about “Europe’s war,” as if America could close itself off, as if we could isolate ourselves from the world beyond our shores. As a consequence, you know the answer, we fought the most costly war in the history of man, a war that claimed the lives of countless millions. At war’s end, once again we saw the prospect of a new world on the horizon. But the great victory over fascism quickly gave way to the grim reality of a new Communist threat.

We are fortunate that our postwar leaders, Democrats and Republicans alike, did not forget the lessons of the past in building the peace of the next four decades. They shaped a coalition that kept America engaged, that kept the peace through the long twilight struggle against Soviet communism. And they taught the lesson that we simply must heed today, that the noblest mission of the victor is to turn an enemy into a friend.

And now America faces a third opportunity to provide the kind of lasting peace that for so long eluded us. At this defining moment, I know where I stand. I stand for American engagement in support of a democratic peace, a peace that can secure for the next generation a world free from war, free from conflict.

After a half-century of fear and mistrust,

America, Russia, and the new nations of the former U.S.S.R. must become partners in peace. After a half-century of cold war and harsh words, we must speak and act on common values. After a half-century of armed and uneasy peace, we must move forward toward a new world of freedom, cooperation, reconciliation, and hope.

Thank you all very much for inviting me here today. And may God bless the free peoples of the former Soviet empire, and may God bless the United States of America. Thank you very, very much.

[At this point, the President answered questions from audience members.]

Persian Gulf

Q. [Inaudible]

The President. [Inaudible]—of the Gulf area. At that time not only the United States but the United States and many of the Gulf countries, the GCC countries, felt that the major threat to stability in the Gulf was from Iran. We did not want an Iran that would take over Iraq and then inexorably move south. So, there was a real logic for that.

Shelby [C. Shelby Coffey III, Los Angeles Times], I’m not going to, by my silence, acquiesce in all the charges that the question included, but some of this was true. We did some business with Iraq, but I just don’t want to sign off on each one of the allegations that some of these stories have contained. But this was our policy.

And then we saw what Saddam Hussein did after this war ended. We tried to bring him into the family of nations through commerce, and we failed. And when he reached out to crush a neighboring country, we mobilized the best and most effective coalition, I think, that’s been seen in modern times. And the objective was to set back aggression.

The U.N. resolutions never called for the elimination of Saddam Hussein. It never called for taking the battle into downtown Baghdad. And we have a lot of revisionists who opposed me on the war now saying, “How come you didn’t go into downtown Baghdad and find Saddam Hussein and do him in?” We put together a coalition. We worked effectively with the coalition to ful-

fill the aims of the United Nations resolutions. And we fulfilled those aims. We set back aggression. And as any one of our respected military leaders will tell you, we have all but removed the threat of Saddam Hussein to his neighbors.

Now, we are still concerned about him. There's no question about that. And I am very much concerned, as he goes north of the 36th parallel the other day with airplanes, as to what that means to the safety of the Kurds. I am concerned about the Shiites in the south and to the southeast. I was also concerned when I saw an Iranian incursion of the Iraq borders to go after those Shiites. We can't condone that, as much as we detest the regime of Saddam Hussein.

So we will—do I have regrets, was your question? I guess if I had 90–90 hindsight and any action that we might have taken beforehand would guarantee that Saddam Hussein did not move down into Kuwait, which he did, I'd certainly rethink our position. But I can't certify that by not helping Iraq in the modest way we did, that that would have guaranteed that he would stay within his confines, the confines of his own border. And I can't say to you what would have happened in terms of Iran's aggression.

We are dealing with the facts as they came down the pike. And one of them was that he committed an aggression that mobilized the whole world against him. And he is going to remain isolated as long as I am President. He is going to live by those U.N. resolutions, and we are going to see that he complies with each and every one of them, including the most dangerous area of all, the one where he is doing things he ought not to be doing in terms of missiles and in terms of a nuclear capability.

So we're not going to lighten up on it. I think—oh, there's one other point since you've given me such a wonderful opening, Shelby. I read that General Norm Schwarzkopf wanted to keep going after I stopped the war. I will tell you unequivocally that that is simply totally untrue.

I sat in the Oval Office that fateful day—when you remember the turkey shoot along the highway going north—and Colin Powell came to me, our respected Chairman of the

Joint Chiefs, and said, “Mr. President, it's our considered opinion that the war is over. We have achieved our objectives, and we should stop.” And I said, “Do our commanders in the field feel that way?” And he said, “Yes.” And I said, “Well, let's doublecheck,” something to that effect. He walked over to my desk—I was sitting on this end near the Stewart picture in the Oval Office—picked up the secure phone, dialed a number, and talked to Norm Schwarzkopf out in the desert and said, “What do you think? The President has asked me to doublecheck. We have achieved our objectives. We ought to stop.” We agreed that we would stop at, I think it was midnight that night, 100 hours after the battle began.

And now we're caught up in a real peculiar election year. And you hear all kinds of people, some of whom supported what I did, many of whom oppose it, now going after this administration and our military for stopping too soon. I don't think that's right. Am I happy Saddam Hussein is still there? Absolutely not. Am I determined he's going to live with these resolutions? Absolutely. But we did the right thing. We did the honorable thing. And I have absolutely no regrets about that part of it at all.

Presidential Campaign

Q. Mr. President, as you know, another Texan is thinking about running for President in 1992. He'll be joining us tomorrow morning. As a matter of fact—

The President. Are you speaking about Lloyd Bentsen? [*Laughter*]

Q. Let's say two other Texans.

The President. Oh, I see.

Q. Some might even think that Ross Perot sounds a little more Texan than you do. My question would be, why do you think he's been as successful as he has in the early going in gaining support? What impact do you think he might have in the general election, particularly his possible ability to carry the State of Texas? And finally, do you feel part of his appeal is based on his ability to connect with the average American who wants to lift himself economically? Is he better able to do that than you are?

The President. You know, I'm going to

give you another question because I am not going to do something now I've assiduously avoided all during the primary, going after anybody else, or quantify it in any way, that might run or is running. And I'm going to stay with that ground rule right now. When the battle is joined and the conventions are over and the nominees are out there, I will happily answer your question for you. But let him, Ross, make his determination. Let him do what the rest of us do, take our case to the American people. Let him enjoy the same scrutiny that I've had for, what, 12 years at this relatively high level of Government, Vice President and President.

But there's no point in me trying to define his candidacy nor the candidacy of the Democrats that are left in the race on the other side. What I'm trying to do, having gone into some of these primaries and emerged, I think, as the nominee of our party, is to lead this country, to talk about these serious issues.

You know, they say to me, as they say, "How can you be the candidate of change? You've been in Washington all this time." I say we're the ones that are trying to change things, whether it's education, whether it's tort reform, whether it's in matters of this nature that have to do with life and death and peace and war.

And so I'm going to keep on doing that now. And then, when the battle is joined and we get past the convention stage, I'll have plenty of comment to help you along in assessing the opposition. But I really am going to stay out of it now. And this isn't a new position. Just because I'm standing before a lot of editors, I think these traveling White House press will tell you that's the way it's been.

So, if you want another one that I can answer, shoot.

Abortion

Q. Let me ask one other one then, Mr. President. Abortion certainly continues to be one of the hottest issues not only in the United States but in the Republican Party. Is it your preference that the GOP platform in 1992 stay silent on that issue, come out flatly against abortion, or support those abortion rights activists who are inside the GOP?

The President. My position has not changed. I am pro-life. And I'm going to stay with that position. In terms of the platform, we have a platform committee that's going to debate that. You mentioned inside the Republican Party, take a look at the State of Pennsylvania. This isn't an issue that divides just Republicans; this is an issue that divides Democrats as well, if you look at the laws in the books and the position of the Governor of that State and other States as well.

So each of us should say what we feel, fight for our views, and then we've got a party platform process that will resolve that.

Multilateral Trade Negotiations

Q. Mr. President, you have attended three economic summits since taking office in which a very high priority was assigned to a new world trade agreement under GATT. Each time these deadlines have been broken; on Easter I think we're going to have another deadline broken. And you just spoke about a world in which we would trade with the Soviet Union or the former Soviet Union. How can the Soviet Union really survive unless we get a world trade agreement?

The President. Well, I think they could survive, but they would survive much less well. And we are going to keep on working for a successful conclusion of this Uruguay round of GATT. The major stumbling block has been agriculture. And we cannot have a satisfactory conclusion to the GATT round unless agriculture is addressed. That has been a particularly difficult problem for France and a particularly difficult problem for Germany.

And we, as you know from following this, have said we will work with the Dunkel text. This is highly technical, but it spells out some broad ground rules on agriculture. And we still have some problems other than agriculture.

I am told that the EC leader, Delors, now feels that we are very, very close on agriculture. He's coming here soon with Cavaco Silva of Portugal, and we're going to be sitting down in one of each—we have meetings twice a year. I will then be talking to

him—I won't be doing the negotiating—but with our top negotiators and try to hammer out that agreement.

We still have some other problems, property rights and, you know, trademarks and all this kind of thing. But I am more optimistic now. I asked Brent the other day, my trusted and able National Security Adviser, where do each of these deadlines that you referred to come from? They keep coming. Well, we'd have a deadline, and you're right, somebody throws up a deadline and says we've got to meet it by February, we've got to do it by June. I don't know where the deadline comes from. But I do know that it is in the interest of the free world, say nothing of the now-freeing world, the Soviet Union, the former Soviet Union, that we achieve this agreement.

And one last point on the trade agreement. Far better, far better than a foreign aid program for the emerging democracies of the Third World, Africa particularly, is a trade agreement. Far better than aid is trade. And so we will keep on playing, I think, a very constructive role to achieve a conclusion of this.

And parenthetically, we are going to work for the North American free trade agreement. You know, we're in a political year, some of you may know, and we're getting shot at by various predictable organizations on the Mexican agreement. The Mexican agreement, in my view, will create jobs in the United States, will help the environment. A country that's doing better economically can do a lot more for its environment than one that is kept down on the ropes because we don't have fair and free trade.

So we're going to work to that end to get a Mexican agreement along with the Uruguay round. And yes, all of that will benefit the emerging republics that I've been talking about here today. But I'm not despairing about it. The point is, if we come to some new deadline, we're going to keep on pushing. But right now, it looks like we may have a better chance than we've had in the last years of negotiation.

Q. Your office says one more question.

The President. Do they? Okay.

Foreign Aid and Trade

Q. Mr. President, oddly enough part of your reply there dealt with my question. You've given a good vision of our obligations to help redeem the emergent nations of the former Soviet empire. But I wonder if anyone's paying much attention to our obligations to the truly hungry, starving nations of the world. Patrick Buchanan wants to do away with all foreign aid as part of his, I guess, Judeo-Christian tradition platform, forgetting the admonition that we bear one another's burdens. Our foreign aid appropriation has been about \$18 billion a year. Almost half went to Middle East countries. And our spending seems to me to be a disgraceful pittance in relation to the hunger and the deprivation of the really deprived nations of the Third World. I wonder if you think we should spend more to help the countries that have no influence, like Somalia and Ethiopia and even Haiti, closer, where there are millions of children with swollen stomachs crying for aid still. Do you think we are spending enough for actual food and aid for the hungry countries of the Earth?

The President. Not included in the figures you gave are other activities, such as the Peace Corps, such as some agricultural programs; and such is clearly the most important—the benefit of trade that you referred to in the first part.

Let me tell you something, it is going to be impossible to get anything through the Congress this year, in terms of foreign aid, beyond what we have suggested. We would be unrealistic to think that there might be more. I'm not suggesting, though, that the answer is to spend more money on it. I think the trade initiative is important. I think the position that our administration has taken in debt forgiveness has been tremendously important to many of these emerging democracies in Africa and, indeed, in this hemisphere.

Look at the basket case that was Argentina just a while back. And working with us, they are now on the move. They've come in, they've taken a very constructive approach to their economy. They are in the debt forgiveness. We've worked out a deal, they have, with the private financial institu-

tions just very recently to lower their debt burden. The Enterprise for the Americas Initiative and the Brady plan are meaningful. And the impoverished people in that country and in other countries in our hemisphere are beginning to get a little break here.

So we're in a realistic time. I will continue to push for the trade agreements. I will continue to do what I can in these debt-reduction initiatives. And we'll continue to support foreign aid. And I think everybody here who writes, understands that that is not necessarily a popular position in an election year or any other time.

But we are dealing also with a time when we must address ourselves, and are trying so to do, to our own problems at home. And we are operating at enormous deficits in a sluggish economy, it isn't easy. And yet I want to not end here because we can take a couple more.

But I'm a little more optimistic on the economy. And I was very pleased today when the Fed lowered its rates by another quarter. That was instantly pretty well received in the market. Far be it for me to mention what levels markets should be at; I learned that long ago by mistake, saying something that triggered—I don't remember how it worked—triggered a market reaction. But I think the lowering of the rate by the Fed is a good thing, and I hope that it will guarantee that this fledgling recovery that we're seeing will now be a little more robust.

Q. Mr. President, over here, sir.

The President. Got you.

Federal Budget

Q. The Government's going in the hole about a billion dollars a day right now. And what reason can you give the American people for voting for 4 more years of the same kind of deficit spending?

The President. I certainly don't want them to vote for 4 more years of deficit spending. And I would like to get some changes in the United States Congress to guarantee against that. I would like to see them enact our budget that takes a major step towards the containment of an area that is the main area that's causing the deficit, and that is the entitlement area. And what are we pro-

posing? We're proposing that the entitlements not grow beyond inflation and population growth. That in itself will save literally billions, billions, many billions of dollars.

So we've got to go forward with a sensible budget approach. Right now I'm battling against a Congress that wants to knock off the one guarantee that the American taxpayer has on spending, and that is the caps out of the nefarious 1990 budget agreement, the caps on discretionary spending. We're getting into an election year so we're trying to hold the line on those caps. And I'm determined to do it, and I think we will prevail.

But what I'll be doing is taking my case to the American people and say, yes, we've had some tough things. We've had banking problems that have cost the taxpayer enormously. We've had savings and loan problems that have cost the taxpayers enormously as we protect every single depositor. But we've got to try to exert some fiscal discipline on the system. And I'll be ready for the debate that will follow come fall because I think we're on the right track with what I've just told you here.

Dave says I'm out of here. We'll do one more, and then I'm gone.

Q. It's your staff, Mr. President, who says you're out of here. You can stay as long as you want.

The President. I don't want to be in trouble with them. [Laughter] Let's see what we've got here.

Presidential Campaign

Q. Mr. President, as you've astutely noted for us today, we are in an election year.

The President. Thank you. [Laughter]

Q. And in 7 months, much to the chagrin of this group, many Americans will be deciding their vote on the basis of television advertising. In 1988, many voters, most of us, were bombarded with what we would probably consider very negative television advertising that attacked the reputation of your opponent and seemed to pander to some of the fears of our society. I guess my question to you as you look into this election year, do you plan to direct, encourage, or discourage your consultants from pursu-

ing a similar negative ad campaign in 1992?

The President. Well, you asked me at a time when this is in the heightened attention of the American people, isn't it? I look across at the Democratic primary, and anything that happened in 1988 is pale in comparison to what's going on there. We've tried to have most of ours positive.

You may recall an ad we ran in Michigan that triggered the famous line I used at the Gridiron Club, "*Ich bin ein Mercedes owner.*" [*Laughter*] But that is a negative ad. Now, I don't know whether you consider that a turnoff or not, but just by the genesis of that ad came about that the opponent in this case was talking about protection and jobs and American jobs and American workers and all of this, and he was driving a Mercedes. Nobody was pointing it out. A lot of editors here—and I don't remember a brutal revelation of this terribly important fact. So we brought it out.

Now, I don't know if you consider that—I don't want to get into a debate since you might clearly win it—[*laughter*—but is that a negative ad or is that fair in the way—everybody now that puts on the television at least have a thing—and the newspapers, too—here's why the ad was fair or unfair. I can't remember what they said about that one. I think when you define a person on issues, that's very, very important. I think some would consider it negative. But just seriously on that one. Then I can maybe answer your question a little better.

Q. I think what it does is set the tone.

I guess people maybe care whether the opponent drives a Mercedes. But I guess we get into discussions of other character issues. I think that's really where the—

The President. Well, as I've said, I would like to see it on the issues and not on some of the sleaze questions. I've said that before, and I'll keep repeating that. I know that we will try hard, but I also know that this is about the ugliest political year I've ever seen already. And I don't know what it's going to hold, but I will try to keep my head up and try to do my job as President, and try to do it with a certain sense of decency and honor.

But we've seen it start off that way in the early primaries, and then something else evolved for reasons I'm not quite sure I fully understand. But I don't want to make you a firm statement because I don't know what's negative and what's not these days. If it's just ripping down somebody's character or tearing them apart, I don't want to do that. If it's factual and brings out something that hasn't been brought out, I think that's fair. And so we have to just use your judgment, I guess is the answer to that one.

Well, I guess I really do have to go. but thank you all very, very much. I appreciate it.

Note: The President spoke at 1:53 p.m. at the J.W. Marriott Hotel. In his remarks, he referred to David Lawrence, Jr., president of the society.

Exchange With Reporters Prior to Discussions With President Violeta Chamorro of Nicaragua

April 9, 1992

President Chamorro. It's a wonderful visit. It always is, but I think we feel even more united now than ever.

President Bush. Well, I think so.

President Chamorro. We always come to the United States feeling at home, just as we are awaiting your visit in Nicaragua.

President Bush. We weren't sure our Assistant Secretary, Bernie Aronson, was going

to make it. He was down in Peru. He can tell us. He can tell us, yes. He's coming over. He's going to wait for these cameras.

Manuel Noriega Verdict

Q. Mr. President, your reaction to the Noriega verdict?

President Bush. Noriega was convicted, I think, on 8 out of 10 counts. Well, I think